

A bill for an act

relating to taxation; providing a property tax credit for agricultural property used in a farm operation that has incurred economic losses due to the H1N1 virus; proposing coding for new law in Minnesota Statutes, chapter 273.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **[273.114] CREDIT FOR LOSSES DUE TO H1N1 VIRUS.**

Subdivision 1. Eligibility; amount of credit. (a) Eligible agricultural land classified under section 273.13, subdivision 23, is granted a property tax credit equal to 50 percent of the property tax on the parcel where swine had been located, excluding any tax attributable to residential structures. Agricultural land is eligible for the credit under this section if:

(1) the commissioner of agriculture determines that the average prices received by farmers for all hogs in Minnesota as reported by the United States Department of Agriculture has declined by more than ... percent between January 1, 2009, and August 1, 2009; and

(2) the commissioner of agriculture certifies to the commissioner of revenue that the owner of the property sold at least 50 hogs during the 12-month period preceding application for the credit, and has experienced a reduction in farm income from the property in the first eight months of the levy year of at least ... percent over the first eight months of the previous year.

(b) To qualify for the tax credit, the owner shall file an application with the commissioner of agriculture by October 1, 2009. The assessor shall indicate the amount of the property tax reduction on the property tax statement of each taxpayer receiving a credit under this section. The credit paid under this section shall be deducted from the tax due on the property as provided in section 273.1393.

2.1            Subd. 2. **Reimbursement for lost revenue.** The county auditor shall certify to the  
2.2            commissioner of revenue, as part of the abstracts of tax lists required to be filed with  
2.3            the commissioner under section 275.29, the amount of tax lost to the county from the  
2.4            property tax credit under this section. Any prior year adjustments must also be certified in  
2.5            the abstracts of tax lists. The commissioner of revenue shall review the certifications to  
2.6            determine their accuracy. The commissioner may make the changes in the certification  
2.7            that are considered necessary or return a certification to the county auditor for corrections.  
2.8            The commissioner shall reimburse each taxing district for the taxes lost. The payments  
2.9            must be made at the time provided in section 473H.10 for payment to taxing jurisdictions  
2.10           in the same proportion that the ad valorem tax is distributed. The amount necessary to  
2.11           make the reimbursements under this section is annually appropriated from the general  
2.12           fund to the commissioner of revenue.

2.13           **EFFECTIVE DATE.** This section is effective for taxes levied in 2009, and payable  
2.14           in 2010 only.